TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

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had a cattle feeder out in my district say I really don't care for this gluten tax but, you know, if it will help keep Sutherland going and this and that, add value to agriculture, help the economy, I'm willing to do it for the availability of the gluten, the by-products that he gets. And Senator Price asked me a question, what is gluten? I think maybe we need to back up and define some of these terms. Gluten is a by-product of this ethanol production; it's the higher protein material that's left after you take the starch out of the kernel. And I think there's a flow chart here somewhere amongst the material Senator Dierks has handed out. But you take the starch out of leaves the gluten, and it's a higher protein material. And typically, I think what the cattle feeders are buying about 65 percent water. Senator Dierks being the veterinarian and nutrition background maybe can help us on that. But I guess maybe it says 60 percent. No, it says dry matter 60 percent protein. But it's generally high water content. But this tax, we're willing to put on here at 50 cents per ton is on a dry ton basis. So this cattle feeder indicated to me it cost him somewhere less than 15 cents per head in order to obtain this gluten product, and he was willing to pay that. This is a pretty good size cattle feeder out in my district saying I will This is a do that just for the availability of the gluten product. tell you right now it's in demand. I tried to purchase some out there, and I can't get any. So I'd like to see another plant out there to open up the market to corn and also provide some by-products. I also, if I could get it, I'd get it and I'd be willing to pay that myself. Also on a handout here I think Senator Dierks...I know Senator Dierks has mentioned this, but the Sutherland plant, of course, qualified for incentives years ago and then was down...was not producing. Originally, they had qualified for more the amended bill now provides. It's lowered that, I think, by a third down to \$12 million over a period of years through 2006, I believe it is. I've got too many But it's important that we amendments here in front of me. continue to have Sutherland operating out there. providing a market and a number of jobs. It's obviously providing ethanol; there's a demand for the ethanol. one thing I might add to this discussion is the price of no lead fuel. And this goes back to the debate on LB 75, price of no lead fuel has gone up dramatically in the last couple weeks, and